11/4 991214-037 087-99-64/0-49 THE SECRETARY OF TRANSPORTATION



WASHINGTON, D.C. 20590

73332

January 10, 2000

OST-99-6410-49

The Honorable Mike **Crapo** United States Senate Washington, DC **20510**

Dear Senator Crapo:

Thank you for your letter of December 8, 1999, regarding the **concerns** of your constituents who are owners of travel agencies. You note in your letter that the American Society of Travel Agents (ASTA) has recently filed a formal complaint (Docket OST-99-6410) with this Department against a number of **airlines**. ASTA alleges that in cutting the commissions that they pay travel agents, the airlines are engaging in unfair practices and unfair methods of competition in violation of 49 U.S.C. §41712.

The airlines filed their responses to **ASTA's** complaint on December **10.** It is now up to our Enforcement Office to review the complaint and **responses** and determine whether, under our statute, the complaint should be pursued or dismissed. Under these circumstances, it would be inappropriate for me to comment on the substance of your letter. Your staff and your constituents can track the pleadings as well as the Department's actions through our Dockets web site at http://dms.dot.gov. Clicking on "search" and then typing "6410" in the space for the docket number and again clicking on "search" will bring up a list of all documents in the docket. Each item can be opened.

The Department's *ex parte* rules, **14 CFR** Part **300**, require that I place your letter and a copy of this reply in Docket **OST-99-6410**.

Sincerely,

Rodnev E. Slater

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MIKE CRAPO U.S. SEMATOR OHACI

CO CHAIRMAN, WESTERN WATER CAUCUS

111 RUSSELL WASHINGTON, DC 20510 (202) 224-6142

Internet/e-mail: http://crapo.senate.gov

United States Senate

WASHINGTON, DC 20510

December 8, 1999

BANKING, HOUSING, AND URBAN AFFAIRS SUBCOMMITTEE ON INTERNATIONAL TRADE AND FINANCE, VICE CHAIR

COMMITTEES.

ENVIRONMENT AND PUBLIC WORKS

SUBCOMMITTEE ON FISHERIES, WILDLIFFE, AND DRINKING WATER, CHAIRMAN

SUBCOMMITTEE ON SUPERFUND,
WASTE CONTROL, AND RISK ASSESSMENT

SUBCOMMITTEE ON SECURITIES SUBCOMMITTEE ON FINANCIAL INSTITUTIONS SMALL BUSINESS



Dear Secretary Slater:

400 7th Street S.W.

The Honorable Rodney E. Slater U.S. Secretary of Transportation

Washington, DC 20590-0001

It is my understanding that the American Society of Travel Agents (ASTA) has recently filed a formal complaint to Department of Transportation (DOT) against the commercial airline industry. Several travel agency owners in Idaho have contacted me regarding this action.

According to the ASTA and its member travel agents, commercial airlines have driven travel agent compensation below the cost of doing business. As you know, travel agents provide the traveling public with valuable information on 'air travel options and airline data. This information assists travelers in making the most informed decision possible. ASTA members fear that the unfair methods of competition used by the airlines, may force them out of business and permit the airlines to inflate their prices, thus harming consumers or placing them at a disadvantage.

Therefore, I request that the DOT give appropriate and timely consideration to the complaint. Please keep me informed of the actions taken by the DOT to address the ASTA complaint. Thank you for your attention to the matter.

Sincerely,

Mike Crapo

United States Senator

MC/vic



Total Travel Service

22 MADISON SQUARE DRIVE • P.O. BOX 1261 MADISONVILLE, KENTUCKY 42431 PHONE (502) 821-1692 • FAX (502) 821-1927

November 10, 1999

The Honorable U.S Senate Washington, D.C 205 10

Dear Scnator:

Please save my business from airlineuntair competition by writing to the Secretary of Transportation and ask him to act favorably upon the American Society of Travel Agents' (ASTA) complaint against airline unfair practices.

ASTA's filing requests the Secretary to use his authority to stop the unfair methods of competition the airlines are using to force travel agencies out of business. The airlines have driven travel agent compensation below the cost of doing business, while also creating a "cost squeeze" that drives up agents' costs with unnecessary and anticompetitive restrictions.

My small business continues to provide consumers with the last, best hope for getting neutral, professional information and advice about travel service options. If the airlines succeed, consumers will pay more. On behalf of my clients and employees, we thank you for contacting the Secretary and notifying me or my trade association, ASTA, at 703-739-6842 of your action.

Look forward to hearing from you soon

Sincerely,

Mary Lou Boal

Total Travel Service

Many Law Book



10 November 1999

The Honorable Mitch McConnell
U. S. Senate
Washington, D. C. 20510

Dear Senator:

Please save my business from airline unfair competition by writing to the Secretary of Transportation and ask him to act favorably upon the American Society of Travel Agents' (ASTA) complaint against airline unfair practices.

ASTA's filing requests the Secretary to use his authority to stop the unfair methods of competition the airlines are using to force travel agencies out of business. The airlines have driven travel agent compensation below the cost of doing business, while also creating a "cost squeeze," that drives up agents' costs with unnecessary and anticompetitive restrictions.:

My small business continues to provide consumers with the 1 ast, best hope for getting neutral, professional information and advice about travel service options. If the airlines succeed, consumers will pay more. On behalf of my clients and employees, we thank you for contacting the Secretary and not lying me or the trade association; ASTA, at 703-739-6842 of your action.

\$incerely,

Kathy Schaffrick

Owner

2935 DOI DHIN DRIVE . SHITE 204 - ELIZABETHTOWN EV